GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:209
ANSWERED ON:25.02.2000
CLOSED TEXTILE MILLS
T. GOVINDAN

Will the Minister of TEXTILES be pleased to state:

(a) the details of textile mills including Handloom, Powerloom closed in the country during 1999-2000, State-wise; and

(b) the reasons for the closure and the steps taken by the Government in this regard?

Answer

MINISTER OF STATE FOR TEXTILES

(GINGEE N. RAMACHANDRAN)

a) The state-wise details of cotton/man-made fibre textile mills(Non-SSI) closed during 1999-2000 (Aprilto December) are given below:-

STATE	No. of Mills closed
ANDHRA PRADESH	2
GUJARAT	3
HARYANA	1
KARNATAKA	3
MAHARASHTRA	2
ORISSA	1
TAMILNADU	17
TOTAL	29

Regarding powerloom sector, on the basis of survey conducted by Powerloom Service Centres, Office of the Textile Commissioner, during April - September, 1999, the state-wise detail of estimated number of Powerlooms closed is given below:-

STATE	No. of powerlooms closed
Andhra Pradesh	303
Assam	1,932
Gujarat	37,334
Jammu & Kashmir	15
Madhya Pradesh	5,348
Maharashtra	37,401
Punjab	665
Rajasthan	9,709
Tamilnadu	29,556
Uttar pradesh	16,276

Regarding Handloom Sector, the Handloom weaving is mostly a house hold activity. Due to its dispersed location, such data is not maintained.

b) Closure of Textile mills can be attributed to many factors including obsolete technology, increase in cost of inputs, difficulties in getting timely and adequate credit, mismanagement, recessionary conditions etc. The Government have taken following steps, in this regard:-

The Government of India has enacted the Sick Industrial Companies (special provisions) Act, SICA, 1985 and established the Board of Industrial & Financial Reconstruction (BIFR) with a view to arranging the timely detection of sick & potentially sick companies and for the speedy determination of preventive, ameliorative and remedial measures which need to be taken in respect of such companies The rehabilitation schemes sanctioned by BIFR include various measures like restructuring the capital, induction of fresh funds by the promoters, merger with the other companies, change of management, provision for working capital and term loans by banks and financial institutions.

Govt. has set up Powerloom Service Centers (PSC) to provide training, consultancy, design development support, textile testing and information about the latest technology in the weaving sector for the benefit of the powerloom sector.